

FOLLOW-UP ON THE EMERGENCY AID FOR PROTECTION OF PEOPLE UNDER VULNERABLE CONDITIONS

In 2020, millions of Brazilians have lost their jobs and income sources, most of them informal jobs, due to the social distancing measures brought by the public health emergency caused by the coronavirus pandemic.

As a result, the government established, on April 2 2020, through Act 13.982/2020, the Emergency Aid. It is a financial benefit granted by the federal government to informal workers, small business owners, self-employed, and those unemployed. The objective is to provide emergency protection during the fight against the COVID-19 crisis.

Due to the social relevance and large sums involved, it was necessary to oversight the procedures regarding the selection of beneficiaries and payments made, essentially based on analysis and data crossing carried out by the Ministry of Citizen's Services and its service providers, the Social Security Technology and Information Company (Dataprev), and the Brazilian bank Caixa. This action is a result of the special plan of follow-up actions on the fight against COVID-19 and aimed to focus on public bodies and institutions fighting the pandemic.

According to consolidated information from **April 2020, US\$6.64 billion** were paid to **50.2 million** beneficiaries in the first month. This amount surpasses what was paid during 2019 to beneficiaries of the Bolsa Família Program (federal social welfare program), which consisted of US\$6.03 billion. As for **May 2020**, US\$7.6 billion were paid to 58.5 million beneficiaries, considering payments of the first and second installments.

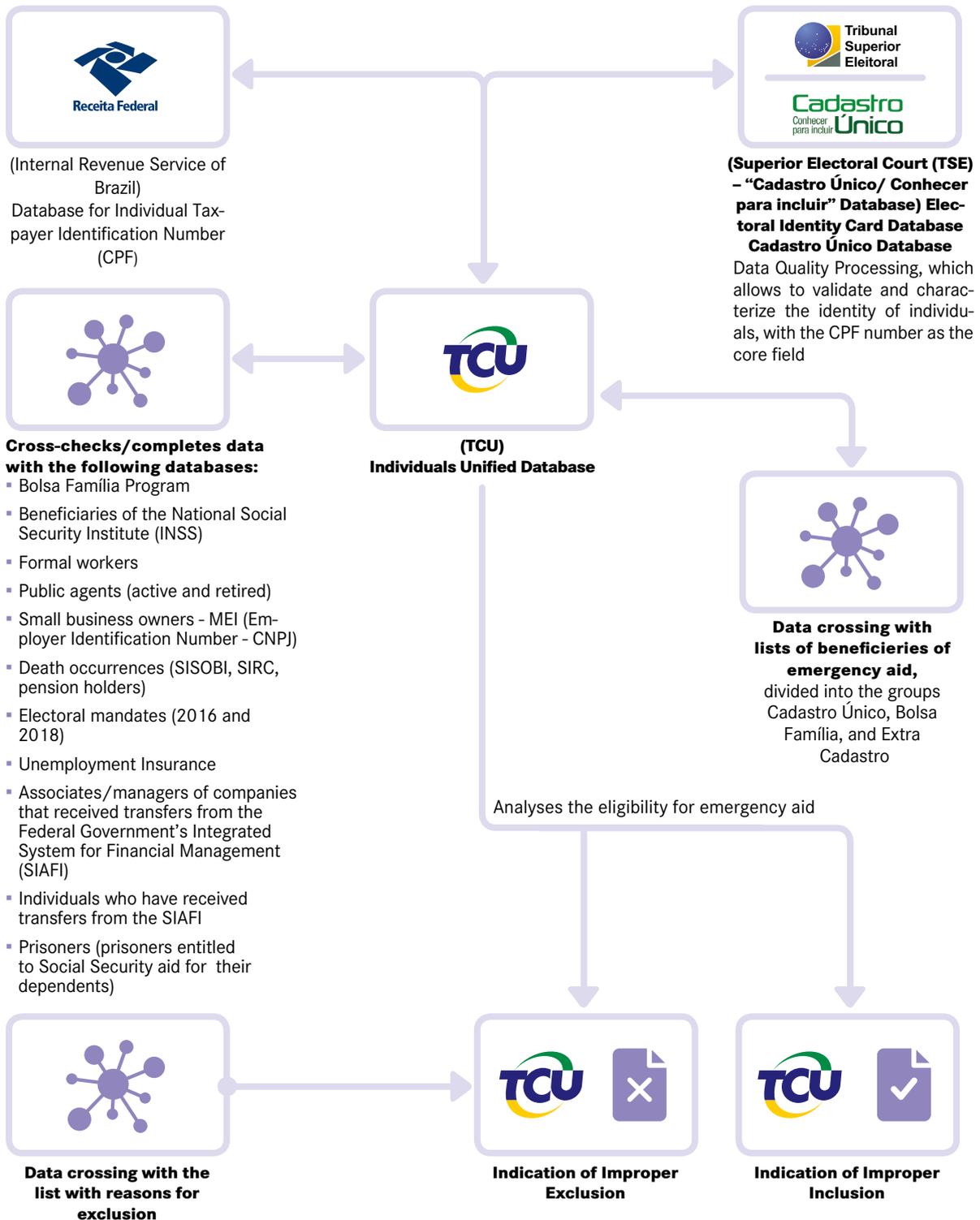
Between the months of April and June 2020, a total of US\$22.55 billion were spent with Emergency Aid payments to 65.32 million people. This amount is equivalent to 47.81% of the budget destined for the benefit, which is a total of US\$47.15 billion.

• WHAT HAS BEEN DONE

Risks of irregularities on the implementation of actions to combat the pandemic led the Federal Court of Accounts to elaborate a Special Plan for the Follow-up on Actions Against COVID-19, which was comprised of two-part monitoring focused on compliance of legal criteria and the execution of measures. One of them had a team concentrated on the analysis of the database where operations are carried out.

In addition to examining the legality and criteria compliance, including determinations to suspend ongoing payments, the policy layout, and measures adopted, there was also the implementation of analysis and data crossing, by means of typologies (audit trails) that verified if the legislation pertinent to the subject being audited was being properly observed by those responsible for public policy. The following infographic offers more details on the applied methodology.

•Image – Methodology diagram to monitor the emergency aid.



• WHAT HAS BEEN FOUND

Regarding the assessments carried out, TCU observed a lack of integrated assessment of social and economic impacts of the Emergency Aid and also a lack of periodical verification of eligibility of beneficiaries.

Among the emergency aid beneficiaries, **620,299 should not be receiving the benefit due to ineligible conditions. Those would be, therefore, situations of improper payment of the benefit.** Reasons for ineligibility: being the holder of a social security or assistance benefit from the INSS; receiving the benefit for preservation of jobs and income (BEm); having a formal relationship with a public agent; receiving unemployment insurance; death; having a cancelled, annulled or suspended CPF on the Internal Revenue Service (RFB) database; prisoners who receive Social Security aid for their dependents; problems with the CPF number used for identification; receiving multiple benefits; income higher than the stipulated limit. These benefits represent US\$78.55 million per month.

We estimate that 9.6% of the total of beneficiaries have been wrongly included whereas citizens that meet the legal criteria have not had access to the benefit. Among the eligibility conditions with higher indications of non-compliance are: “mothers who are in charge of the household”, “limit for per capita income”, and “limit of two family members receiving the benefit”.

• WHAT HAS BEEN DECIDED

TCU recommended the federal government to present analysis integrating health, economic, and social data in order to inform society on the risks and costs involved in government decisions.

The Court also recommended that the Ministry of Citizen’s Services should **indicate controls to be implemented in order to reduce indications of inconsistency**

identified on the analysis of emergency aid payrolls and to verify monthly the eligibility of beneficiaries, stopping payments whenever non-compliance of legal requirements is detected.

In addition, due to the irregular payments identified, TCU recommended the disclosure of citizens who have received the benefit, the implementation of an awareness campaign on the target audience of the benefit, the adoption of measures aiming at a full reimbursement of values unduly paid, and improvement of control mechanisms for the correct identification of household members.

Finally, the Court recommended the publication of a monthly report on the benefit’s status, the development of a mechanism to update registries monthly, and the establishment to render income accounts annually by beneficiaries assisted. To achieve a larger group of beneficiaries, TCU also recommended the use of the states and municipalities assistance network.i.

Additional information:

Decisions: 1.196/2020, 1.695/2020, 1.428/2020, 1.764/2020 and 1.706/2020, all from TCU’s Full Court

Rapporteur: Minister Bruno Dantas

Cases: TCs 016.827/2020-1, 016.834/2020-8 and 018.851/2020-7 (Complaint)

Technical department in charge: Department of External Control - Social Security, Labor and Welfare (SecexPrevidência)